



Legislation Text

File #: Ordinance 07-2018, **Version:** 2

Agenda Date: 03/20/2018

Subject:

An ordinance on second reading amending Ordinance No. 23, series of 2017, known as the Annual Appropriation Bill

Presented By: Tiffany Hooten, Finance Director
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Does city council support amending the 2018 annual appropriation for the carryover of 2017 encumbered funds?

BACKGROUND:

The city issues purchase orders for projects, goods and/or services to encumber funds for these projects. There are several projects, goods and/or services that may not be completed or spent in the fiscal year in which they were budgeted, leaving an open purchase order at the end of the year. Staff believes it is sound financial practice to re-appropriate open purchase orders at the end of each year to the next budget year.

PRIOR ACTIONS OR DISCUSSIONS:

During the 2018 budget meetings held with council September 11-13, 2017, this new budget practice was discussed.

STAFF ANALYSIS:

There were a total of 54 open purchase orders from the 2017 budget that need to be carried over to the 2018 budget. Fifty one of these open purchase orders are in the funds listed below, with the remaining three in the Sewer Utility Enterprise Fund and the Storm Drainage Enterprise Fund. Each purchase order is associated with a specific project, good and/or service that was not fully completed or spent in the 2017 fiscal year. This ordinance will formally appropriate these funds..

A complete listing of the open purchase orders for all funds as of December 31, 2017 is attached.

OPTIONS/ALTERNATIVES:

Option 1: Approve amending the 2018 annual to align the expenditures with the budget.

Option 2: Do not approve the amendment.

FISCAL IMPACTS:

A supplemental budget appropriation is requested in the amount of \$1,255,763 for the 2018 annual appropriation. There is adequate fund balance in the 2018 budget for this supplemental appropriation based on current estimates.

The following funds will be amended:

General Fund	\$ 564,847
Conservation Trust Fund	\$ 24,000
Grants Fund	\$ 119,610
Open Space Fund	\$ 165,421
Capital Projects Fund	\$ 326,003
<u>Property and Liability Fund</u>	<u>\$ 55,882</u>
Total	\$ 1,255,763

A correction was made to Section 2 of the ordinance to amend the total of all fund expenditures amended to \$87,539,237.

STAFF RECOMMENDATION:

Staff recommends approval of the amendment to the 2018 annual appropriation.

PROPOSED MOTION:

I move to approve the ordinance on second reading amending Ordinance No. 23, series of 2017, known as the Annual Appropriation Bill.